

LAW OFFICES
BLOOSTON, MORDKOFKY, DICKENS, DUFFY & PRENDERGAST, LLP

2120 L STREET, NW
WASHINGTON, DC 20037

(202) 659-0830
FACSIMILE: (202) 828-5568

HAROLD MORDKOFKY
BENJAMIN H. DICKENS, JR.
JOHN A. PRENDERGAST
GERARD J. DUFFY
RICHARD D. RUBINO
MARY J. SISAK
D. CARY MITCHELL
SALVATORE TAILLEFER

ARTHUR BLOOSTON
1914 – 1999

AFFILIATED SOUTH AMERICAN OFFICES

ESTUDIO JAUREGUI & ASSOCIATES
BUENOS AIRES, ARGENTINA

ROBERT M. JACKSON
OF COUNSEL

PERRY W. WOOFER
LEGISLATIVE CONSULTANT

EUGENE MALISZEWSKYJ
ENGINEERING CONSULTANT

July 1, 2014

WRITER'S CONTACT INFORMATION

sta@bloostonlaw.com
202-828-5562

REDACTED – FOR PUBLIC INSPECTION

VIA HAND DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

RE: Form 481 – Carrier Annual Reporting Data Collection, 2014
WC Dockets No. 14-58, 10-90 and 11-42

Dear Ms. Dortch:

Pursuant to sections 54.313(i) and 54.422(c) of the Commission's Rules,¹ Walnut Hill Telephone Company (the "Company") hereby submits a copy of its "FCC Form 481 – Carrier Annual Reporting Data Collection Form," as filed with the Universal Service Administrative Company. A copy is also being submitted to the appropriate state regulatory commission and tribal government, as further required by sections 54.313(i) and 54.422(c).

Pursuant to the Protective Order adopted by the Commission in this proceeding,² the Company requests confidential treatment for the financial information included in its report, as required by §54.313(f)(2), on the grounds that it is commercially sensitive information that is not normally released to the public. The Company also requests confidential treatment for its Five

¹ 47 CFR §§54.313 and 54.422.

² *In the Matter of Connect America Fund, et al.*, PROTECTIVE ORDER, WC Docket No. 10-90, et al., DA 12-1857, released November 16, 2013.

Year Service Quality Plan pursuant to sections 0.457 and 0.459 of the Commission's Rules. A letter in support of the Company's request is attached hereto.

In accordance with the Protective Order and the Commission's rules, two redacted copies and one non-redacted copy have been submitted on paper via hand delivery to the Secretary's Office, two non-redacted copies have been submitted for hand delivery to Mr. Charles Tyler of the Telecommunications Access Policy Division, and a redacted copy has also been filed via the Electronic Comment Filing System.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Salvatore Taillefer, Jr.', with a stylized, cursive script.

Salvatore Taillefer, Jr.

Counsel to Walnut Hill Telephone Company

CC:

Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau

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Washington, DC 20554

RE: Form 481 – Carrier Annual Reporting Data Collection, 2014
WC Dockets No. 14-58, 10-90, and 11-42

Dear Ms. Dortch:

Pursuant to §0.457 and §0.459 of the Commission's rules, Walnut Hill Telephone Company ("the Company"), by its attorneys, hereby requests that certain materials and information be withheld from public inspection. Specifically, the Company requests confidential treatment of the Five Year Service Quality Improvement Plan (the "Plan" or "confidential information") attached to its Form 481 filing.

In support of its request for confidential treatment and pursuant to the requirements under § 0.459(b) of the Commission's rules, the Company states the following:

1. Identification of the specific information for which confidential treatment is sought.

The Company seeks confidential treatment of the Five Year Service Quality Improvement Plan, attachment 401729AR112 to the Form 481 filing accompanying this letter, which contains sensitive financial information about the Company as well as information about the Company's projected network improvements and upgrades for voice and broadband services during the period from 2015 through 2019.

2. *Identification of the Commission proceeding in which the information was submitted or description of the circumstances giving rise to the submission.*

The documents are being submitted as part of the annual Eligible Telecommunications Carrier Report (Form 481) mandated by section 54.313 of the Commission's rules.

3. *Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged.*

The data described is highly confidential and sensitive commercial and financial information which constitutes trade secrets or sensitive commercial and financial information that "would customarily be guarded from competitors,"¹ and is therefore exempted from mandatory disclosure under FOIA Exemption 4 and Section 0.457(d) of the Commission's rules.²

4. *Explanation of the degree to which the information concerns a service that is subject to competition.*

The Plan relates to voice and broadband services provided by the Company that are subject to competition from competitive local exchange carriers, cable television system operators, electric power utilities, fixed and mobile wireless service providers, and/or satellite carriers.

5. *Explanation of how disclosure of the information could result in substantial competitive harm.*

Disclosure of the confidential information is likely to result in substantial competitive harm to the Company because the confidential information could provide competitors with commercially sensitive insights related to the Company's operations, service offerings, and costs.

6. *Identification of any measures taken by the submitting party to prevent unauthorized disclosure.*

The Company does not make the Five Year Service Quality Improvement Plan or any of the information contained therein publically available in any way, and further limits internal access to key employees subject to strict non-disclosure obligations.

7. *Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties.*

The Company does not make the confidential information available to the public and it has not previously allowed disclosure of the confidential information to third parties that are not otherwise bound by confidentiality obligations.

¹ *Id.* § 0.457(d)(2).

² 5 U.S.C. § 552(b)(4); 47 C.F.R. § 0.457(d).

8. *Justification of the period during which the submitting party asserts that the material should not be available for public disclosure.*

The confidential information should be treated as confidential for an indefinite period, as the Company will always be subject to competition and the competitive harms associated with the disclosure of the confidential information.

In order to provide adequate protection from public disclosure, the Commission should strictly limit distribution of the confidential information within the Commission on a "need to know" basis and not allow any distribution outside of the Commission. In the event that any person or entity outside the Commission requests disclosure of the confidential information, the Company requests that it be so notified immediately so that it can oppose such request or take other action to safeguard its interests as it deems necessary.

Please direct any questions regarding this submission to the undersigned.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Salvatore Taillefer, Jr.', is written over the printed name.

Salvatore Taillefer, Jr.
Counsel for
Walnut Hill Telephone Company

FCC Form 481 - Carrier Annual Reporting

FCC Form 481

OMB Control No. 3060-0086/OMB Control No. 3060-0019

Data Collection Form

July 2013

<010> Study Area Code	401729
<015> Study Area Name	WALNUT HILL TEL CO
<020> Program Year	2015
<030> Contact Name: Person USAC should contact with questions about this data	Deborah Nobles
<035> Contact Telephone Number: Number of the person identified in data line <030>	9046880029 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	dnobles@townes.net

ANNUAL REPORTING FOR ALL CARRIERS	54,313 Completion Required	54,422 Completion Required
-----------------------------------	----------------------------------	----------------------------------

<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<210> <input checked="" type="checkbox"/> <- check box if no outages to report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> 401729ar510.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> 401729ar610.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> 401729ar1010.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)?	(if not, check to indicate certification)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 401729
 <015> Study Area Name WALNUT HILL TEL CO
 <020> Program Year 2015
 <030> Contact Name - Person USAC should contact regarding this data Deborah Nobles
 <035> Contact Telephone Number - Number of person identified in data line <030> 9046880029 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dnobles@townes.net

<110> Has your company received its ETC certification from the FCC? (yes / no) ☐ ☒

If your answer to Line <110> is yes, do you have an existing § 54.202(a) "5

<111> year plan" filed with the FCC? (yes / no) ☐ ☐

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

401729ax112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets
 <114> Report how much universal service (USF) support was received
 <115> How (USF) was used to improve service quality
 <116> How (USF) was used to improve service coverage
 <117> How (USF) was used to improve service capacity
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

<010>	Study Area Code	401729
<015>	Study Area Name:	WALNUT HILL TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAID should contact regarding this data	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	9046880029 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@townes.net

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<010>	Study Area Code	401729
<015>	Study Area Name	WALNUT HILL TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	9046880029 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@towers.net

[illegible]

<010>	Study Area Code	401729
<015>	Study Area Name	WALNUT HILL TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	9046880029 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@tcvnes.net

[illegible]

(800) Operating Companies
Data Collection Form
FCC Form 481
OMB Control No. 3060-0986 / OMB Control No. 3060-0519
July 2013

<010>	Study Area Code	401729
<015>	Study Area Name	WAINUT HILLS TEL CD
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	9046890029 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@towpes.net

<810>	Reporting Carrier	Walnut Hill Telephone Company
<811>	Holding Company	Townes Tele-Communications, Inc.
<812>	Operating Company	N/A

[illegible]

REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

**(900) Tribal Lands Reporting
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code 401729
 <015> Study Area Name WALNUT HILL TEL CO
 <020> Program Year 2015
 <030> Contact Name - Person USAC should contact regarding this data Deborah Nobles
 <035> Contact Telephone Number - Number of person identified in data line <030> 9046880029 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> dnobles@townes.net

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes
 to confirm the status described on the attached document(s), on line 920,
 demonstrates coordination with the Tribal government pursuant to
 § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal
community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

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REDACTED - FOR PUBLIC INSPECTION

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401729
<015>	Study Area Name	WALNUT HILL TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	9046880029 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@townes.net

Please check this box to confirm no terrestrial backhaul
<1120> options exist within the supported area pursuant to § 54.313(G) ☐

Please check this box to confirm the reporting carrier offers
<1130> broadband service of at least 1 Mbps downstream and 256 kbps
upstream within the supported area pursuant to § 54.313(G) ☐

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(1200) Terms and Condition for Lifeline Customers**Lifeline
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401729
<015>	Study Area Name	WALNUT HILL TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	9046880029 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@townes.net

401729ar1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- | | |
|--|-------------------------------------|
| <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, | <input checked="" type="checkbox"/> |
| <1222> Details on the number of minutes provided as part of the plan, | <input checked="" type="checkbox"/> |
| <1223> Additional charges for toll calls, and rates for each such plan. | <input checked="" type="checkbox"/> |

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REDACTED - FOR PUBLIC INSPECTION

(3000) Rate Of Return Carrier Additional Documentation
Data Collection Form

FCC Form 485
OMB Control No. 3060-0945, OMA Control No. 3060-0819
July 2013

<010> Study Area Code 401729
<015> Study Area Name WALNUT HILL TEL CO
<020> Program Year 2015
<030> Contact Name - Person USAC should contact regarding this data Deborah Nobles
<035> Contact Telephone Number - Number of person identified in data line <030> 9046980029 ext.
<039> Contact Email Address - Email Address of person identified in data line <030> dnobles@townes.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

- (3010) Progress Report on 5 Year Plan:
Milestone Certification (47 CFR § 54.313(f)(1)(i))

[Redacted Box]

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313(f)(1)(i), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(i))

[Redacted Box]

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))?
(3014) If yes, does your company file the RUS annual report?

(Yes/No) ☒ ☒
(Yes/No) ☒ ☒

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) ☐
(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation.

[Redacted Box]

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, is your company audited?

(Yes/No) ☒ ☐

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3019) Either a copy of their audited financial statements; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☒

- (3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☒

- (3021) Management letter issued by the independent certified public accountant that performed the company's financial audit. ☒

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐

- (3023) Underlying information subjected to a review by an independent certified public accountant ☐

- (3024) Underlying information subjected to an officer certification. ☐

- (3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

401729a3026.pdf

- (3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

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REDACTED - FOR PUBLIC INSPECTION

Certification - Reporting Carrier	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013

<010> Study Area Code	401729
<015> Study Area Name	WALNUT HILL TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Deborah Nobles
<035> Contact Telephone Number - Number of person identified in data line <030>	9046880029 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dnobles@townes.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: WALNUT HILL TEL CO	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/26/2014
Printed name of Authorized Officer: Deborah Nobles	
Title or position of Authorized Officer: Vice President of Regulatory Affairs	
Telephone number of Authorized Officer: 9076880029 ext.	
Study Area Code of Reporting Carrier: 401729	Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

Response to Line 112
Walnut Hill Telephone Company
Study Area 401729

Initial Five-year Service Quality Improvement Plan – 47 C.F.R. §54.202(a)

Walnut Hill Telephone Company (“Walnut Hill”) submits its initial five-year build-out Service Quality Improvement Plan pursuant to C.F.R. §54.202(a)(1)(ii) that specifies the proposed improvements or upgrades to Walnut Hill’s network throughout its service area. In addition, Walnut Hill is providing information that includes an estimate of the population that will be served as a result of these improvements.

The receipt of USF support, combined with other funding sources will allow Walnut Hill to continue to meet its broadband obligations within its service area, complete service requests within a reasonable amount of time, and provide reliable, state-of-the-art, high-quality voice and broadband service, to its 3,476 rural customers in 3 wire centers. The projects listed within this plan will be used to improve or upgrade the network over the next five years.

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Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014

Walnut Hill Telephone Company

SAC: 401729

Foreman

re Center CLLI: FRMNARXDSO
WNTHARXARS0



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

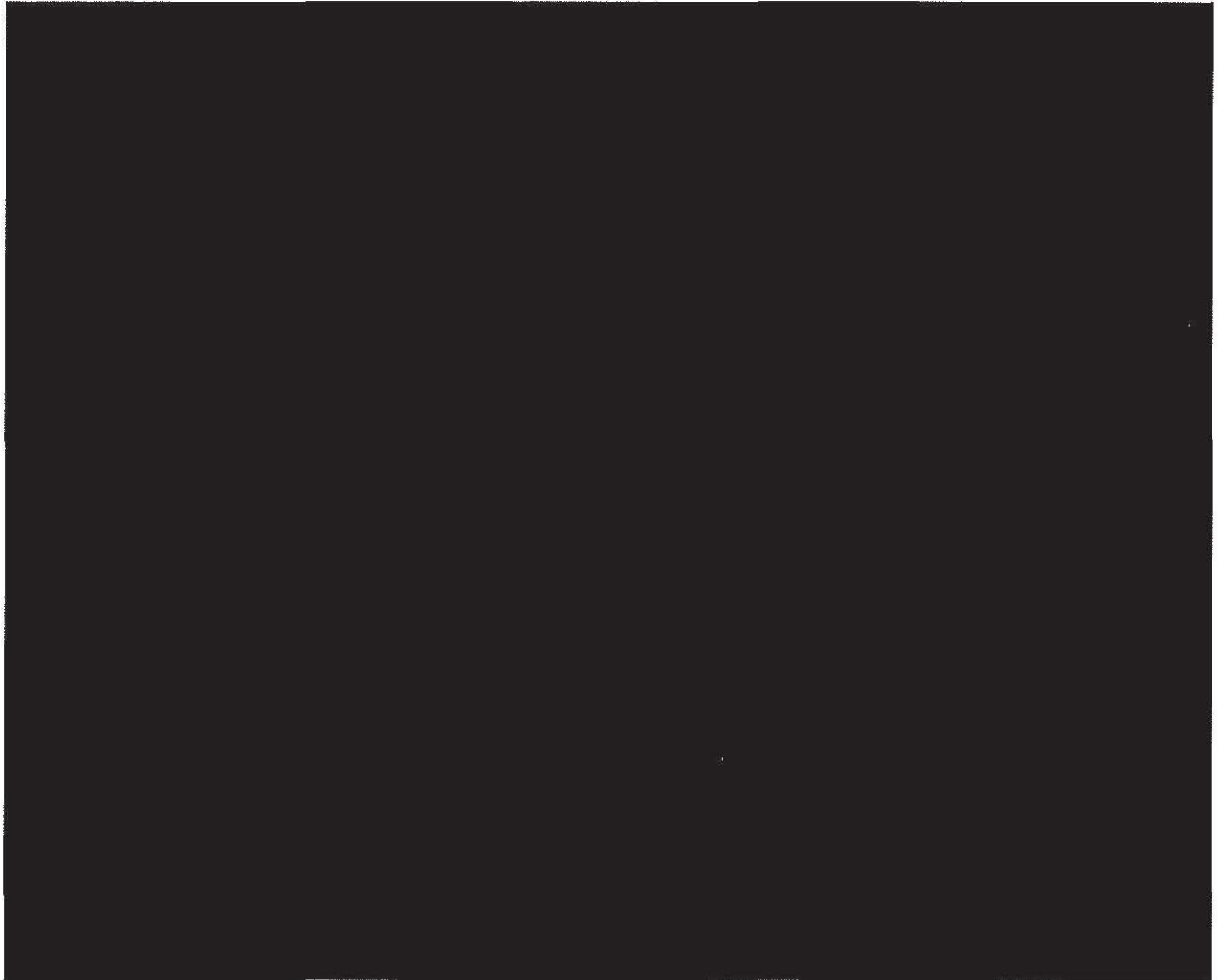
Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014

Walnut Hill Telephone Company

SAC: 401729

Foreman

Wire Center CLLI: FRMNARXDSO
WNTHARXARS0



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

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Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014
Walnut Hill Telephone Company

SAC: 401729
Wire Center: FRMNARXDSO
WNTHARXARS0

Foreman



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014

Walnut Hill Telephone Company

SAC: 401729

Lewisville

re Center CLLI: LWVLARXADSO
BRDLARXARSO



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

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Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014

Walnut Hill Telephone Company

SAC: 401729

Lewisville

Wire Center CLI: LWVLARXADSO
BRDLARXARSO



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

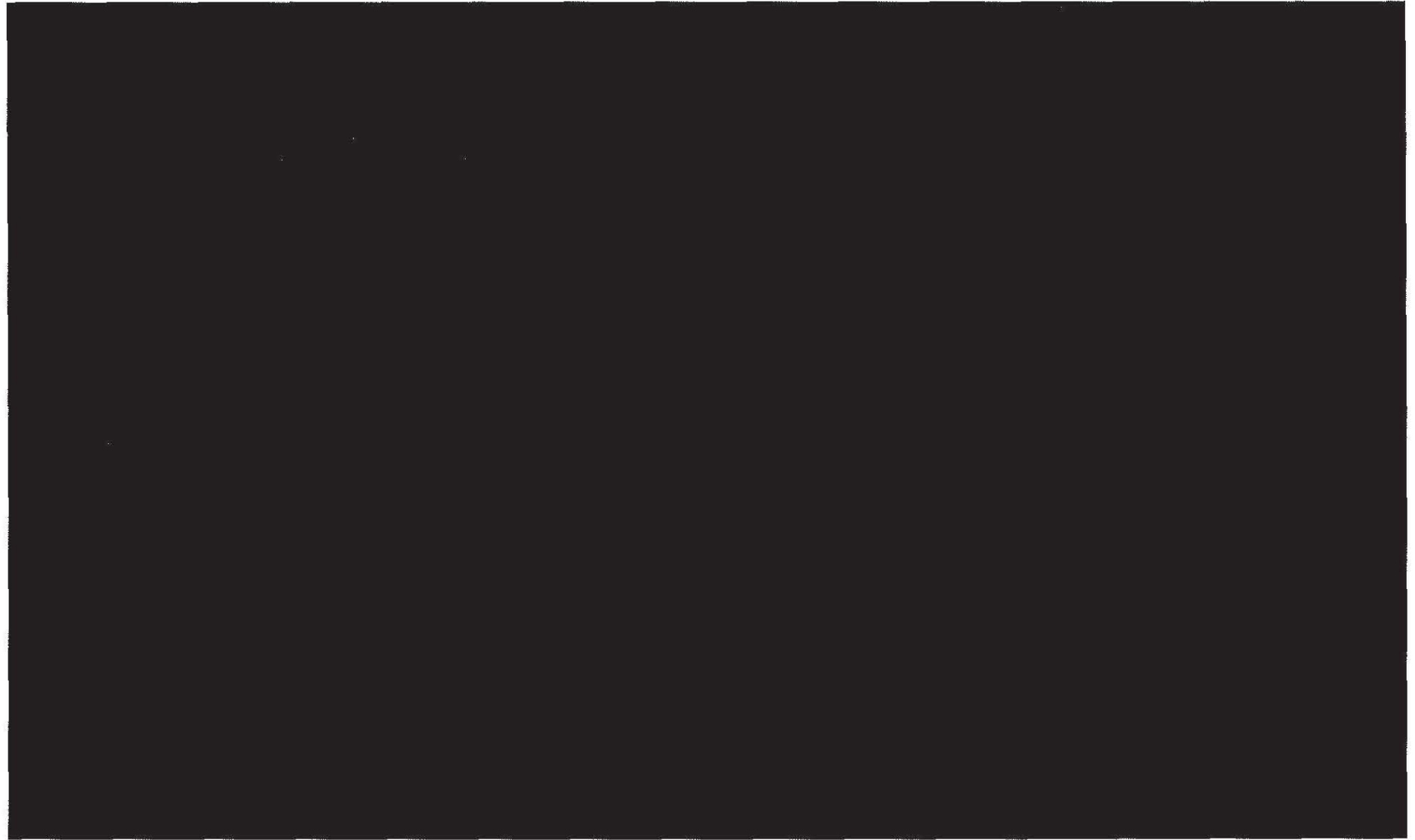
REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014
Walnut Hill Telephone Company

SAC: 401729
Wire Center: LWVLARXAD50
BRDLARXAR50

Lewisville



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT
DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION. REDACTED - FOR PUBLIC INSPECTION

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CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

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Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014

Walnut Hill Telephone Company

SAC: 401729

Mineral Springs

re Center CLLI: MNSPARXADSO
SRTGARXBR50

CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

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Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014

Walnut Hill Telephone Company

SAC: 401729

Mineral Springs

Wire Center CLLI: MNSPARXADSO
SRTGARXBR50



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

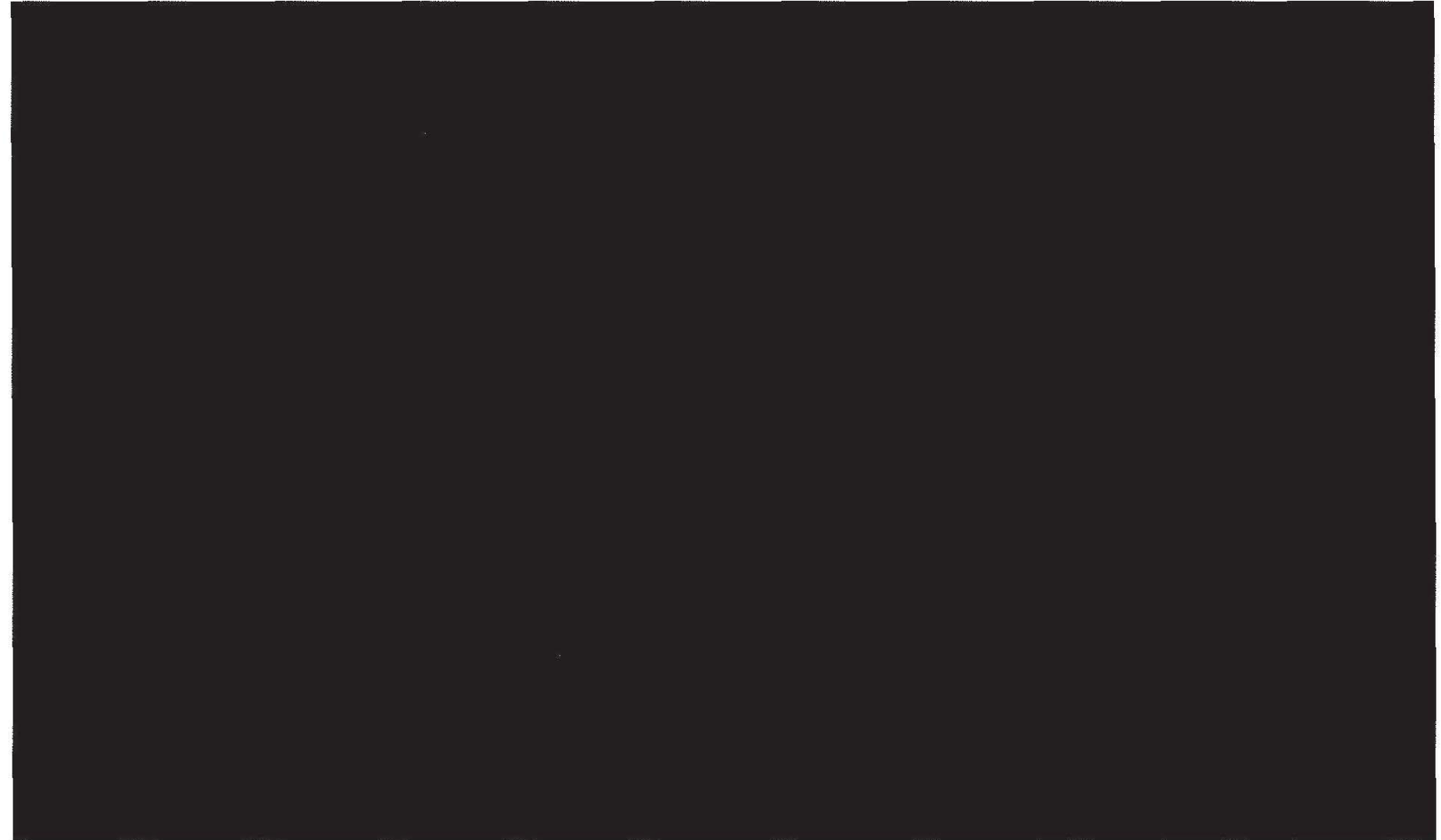
REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

Data Request for FCC Annual Reporting Requirement
§ 54.313 (a) (1) - Five-Year Service Quality Improvement Plan
July 1, 2014
Walnut Hill Telephone Company

SAC: 401729
Wire Center: MN5PARXADSO
SRTGARXBR50

Mineral Springs



CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

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CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS 01-92, 96-45, GN DOCKET NO 09-51, WT DOCKET NO 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.

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Carrier Name: Walnut Hill Telephone Company
Carrier SPIN: 143002277
Carrier SAC: 401729
Operating State: Arkansas

Line 510: Service Quality Standards and Consumer Protection Rules Compliance

Walnut Hill Telephone Company ("Walnut Hill" or "the Company") complies with the Arkansas Public Service Commission's Telecommunications Providers Rules in its entirety and adheres to all service quality standards and consumer protection rules.

Walnut Hill complies with the following federal consumer protection rules and regulations:

FCC 47 C.F.R. §§64.2001-64.2011 – Customer Proprietary Network Information ("CPNI")
FTC 16 C.F.R. §681.2 – Identity Theft Red Flags and Address Discrepancies Under the Fair and Accurate Credit Transactions Act of 2003

All customer protection and disclosures established by the Fair Credit Reporting Act (15 U.S.C. §§1681, *et seq.*) and the Truth in Lending Act (15 U.S.C. §§1601, *et seq.*)

The Company has a CPNI Policy Manual detailing and enforcing the requirements of the federal CPNI rules. Each year, the CPNI Compliance Officer (1) communicates with the Company's attorneys and/or consultants regarding CPNI responsibilities, requirements and restrictions; (2) supervises the training of Company employees and agents who use or have access to CPNI; (3) supervises the use, disclosure, distribution or access to the Company's CPNI by independent contractors and joint venture partners; (4) maintains records regarding the use of CPNI in marketing campaigns; and (5) receives, reviews and resolves questions or issues regarding use, disclosure, distribution or provision of access to CPNI. The CPNI Compliance Officer certifies compliance annually with the FCC by March 1.

The Company has an Identity Theft Prevention Program ("the Program") that was approved by the Board of Directors in September 2008. The Board appointed Red Flag Coordinator is responsible for updating the Program as necessary; the day-to-day supervision of the Program; training Company employees regarding their responsibilities with respect to the Program; and responding to employee questions and concerns regarding identity theft or the Program. The Red Flag Coordinator is required to annually prepare an Identity Theft Prevention Program Compliance Report for the Board's approval by October 1. The Identity Theft Prevention Program Compliance Report evaluates the effectiveness of the Program; the nature and extent of the Company's service provider arrangements and their impact on the effectiveness of the Program; reports any significant incidents involving identity theft and the Company's response to such incidents; and provides recommendations to the Board for periodic reviews of the Program and the adoption of material changes and other revisions, modifications and updates to the Program.

Carrier Name: Walnut Hill Telephone Company
Carrier SPIN: 143002277
Carrier SAC: 401729
Operating State: Arkansas

Line 610: Functionality in Emergency Situations

Walnut Hill Telephone Company ("Walnut Hill" or "the Company") has an Emergency Operations Plan ("EOP" or "the Plan") that addresses the requirements for continuity of service and systematic restoration of service after loss of service due to an emergency. The EOP is administered and maintained by a member of senior management of the parent company, Townes Telecommunications, Inc., and is reviewed annually to ensure that each applicable section is accurate and any changes or updates to the Plan are made on a timely basis.

An Emergency Director has been authorized to implement the provisions of the EOP. The Emergency Director conducts training with employees and is responsible for ensuring that all new employees are provided a 30 minute overview of the Plan as part of their orientation. Specific supervisory personnel receive additional intense instructions regarding special areas of the Plan.

The Plan established an Emergency Committee made up of senior management and key company personnel, who upon notification by the Emergency Director that a potential emergency exists, convene to declare an emergency, notify affected parties and assume control of restoration of service efforts.

An emergency control center is established at the Company's business office, which is equipped with a back-up power generator and a wireless telephone set. Depending upon the severity and type of emergency and the safety of the emergency location, a control center may be established at the site of the event.

In case of power outages, batteries in the central office will last on average from 4-8 hours depending on how many lines (AMP load) are served at that particular location. The stand-by generator has 24 hour diesel capacity and small generators are available to be put on smaller concentrators if power is lost. The small generators have to be refueled every few hours.

<039>	Contact Email Address - Email Address of person identified in data line <030>	dnobles@towne.net
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1/1/2014

<702> Single State-wide Residential Local Service Charge

<703>

[illegible]

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REDACTED - FOR PUBLIC INSPECTION

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986 / OMB Control No. 3060-0819
July 2013

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986 / OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	401729
-------	-----------------	--------

<015>	Study Area Name	WALNUT HILL TEL CO
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<D20>	Program Year	2013
-------	--------------	------

<030>	Contact Name - Person USAC should contact regarding this data	Deborah Nobles
-------	---	----------------

<035>	Contact Telephone Number - Number of person identified in data line <030>	9046860029 ext.
-------	---	-----------------

<039> Contact Email Address - Email Address of person identified in data line <030> dnobles@toytes.net

[illegible]

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REDACTED - FOR PUBLIC INSPECTION

Response to Line 1010
Walnut Hill Telephone Company
Study Area No. 401729

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) Walnut Hill Telephone Company ("Walnut Hill") is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$46.96 as specified in Public Notice DA 14-384 issued on March 20, 2014. Walnut Hill's current total local end-user rate¹ of \$13.95, which is made up of a monthly basic local residential rate \$13.41 plus a mandated state USF assessment fee of \$0.54, is not above the standard deviation as specified in the USF/ICC Transformation Order.²

¹ Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

² USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."

Carrier Name: Walnut Hill Telephone Company
 Carrier SPIN: 143002277
 Carrier SAC: 401729
 Operating State: Arkansas

Line 1210: Terms and Conditions for Lifeline Program Customers

Walnut Hill Telephone Company ("Walnut Hill" or "the Company") complies with the FCC CFR 47 §§54.4, Universal Service Support for Low-Income Customers. The Company has developed a Lifeline Program Policy & Procedures Manual, which incorporates the federal Low-Income Program requirements. Lifeline is a non-transferable retail service offering for which qualifying low-income consumers receive a \$9.25 federal discount on flat rated basic local telephone service, whether it is purchased on a stand-alone basis or as part of a bundled service that includes voice and data services and optional calling features. Lifeline customers are charged a separate charge for toll calls, but are provided Toll Blocking free of charge if they elect to subscribe to the service. The Lifeline supported services are as shown below:

	Walnut Hill	
Residence Access Line	13.41	
Federal SLC	6.50	
Total Monthly Rate	19.91	
<u>Lifeline Discounts to Total Monthly Rate:</u>		<i>FCC 497: Lifeline Worksheet</i>
Federal Flat Rate Lifeline Support	(9.25)	
Total Lifeline Service Monthly Rate	(9.25)	
Net Monthly Local Service for Lifeline Customer	10.66	

Additional Services:

Toll Blocking is free to Lifeline customers who subscribe to this service.

The company is required to include the Lifeline Service Program in their Local Exchange Tariff. The rates for basic local residential service are also contained in the Local Exchange Tariff and the rates for the federal SLC are included in the NECA Tariff No. 5. Changes to any of these rates must be approved by the appropriate regulatory agency.

3005b IncomeStatement		
Current Value For Total Fixed Charges (25)		Error Status
Prior Year	-218 Value is valid.	
This Year	-134 Value is valid.	

	Number of fields with invalid data
3005a BalanceSheet	0
3005b IncomeStatement	0
3005c Cashflow	0

Mandatory fields that are blank			
Worksheet	Input Item	Line Item	Error Status
3005a BalanceSheet	Study Area Code	<010>	OK
3005a BalanceSheet	Study Area Name	<015>	OK
3005a BalanceSheet	Program Year	<020>	OK
3005a BalanceSheet	Contact Name - Person USAC should contact regarding this data	<030>	OK
3005a BalanceSheet	Contact Telephone Number - Number of person identified in data line <030>	<035>	OK
3005a BalanceSheet	Contact Telephone Email Address - Email Address of person identified in data line <030>	<039>	OK
3005c Cashflow	Explanation for cell C20	5	OK
3005c Cashflow	Explanation for cell C39	22	OK
3005c Cashflow	Explanation for cell C45	27	OK

Totals that can not be zero			
Worksheet	Input Item	Line Item	Error Status
3005a BalanceSheet	Total Assets	24	OK
3005a BalanceSheet	Total Liabilities and Equity	59	OK
3005b IncomeStatement	Input items for prior year		OK
3005b IncomeStatement	Input items for current year		OK

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(3005a) Operating Report for Privately-Held Rate of Return Carriers		FCC Form 481	
Balance Sheet - Data Collection Form		OMB Control No. 3060-0986	
Page 1 of 3		July 2013	
<010>	Study Area Code	<010>	
<015>	Study Area Name	<015>	Walnut Hill Telephone Company
<020>	Program Year	<020>	2013
<030>	Contact Name - Person USAC should contact regarding this data	<030>	Deborah Nobles
<035>	Contact Telephone Number - Number of person identified in data line <030>	<035>	904-688-0079
<038>	Contact Telephone Email Address - Email Address of person identified in data line <030>	<038>	dnobles@townsnet.net
<input type="checkbox"/> Filed as reviewed single company		<input checked="" type="checkbox"/> Filed as audited single company	
<input type="checkbox"/> Filed as reviewed consolidated company		<input type="checkbox"/> Filed as audited consolidated company	
<input checked="" type="checkbox"/> Filed as subsidiary of reviewed consolidated company		<input checked="" type="checkbox"/> Filed as subsidiary of audited consolidated company	
CERTIFICATION			
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.			
Deborah Nobles		6/26/2014	
Signature		Date	
PART A. BALANCE SHEET			
	BALANCE	BALANCE END	

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(3005b) Operating Report for Privately-Held Rate of Return Carriers
Balance Sheet - Data Collection Form
Page 2 of 3

FCC Form 481
OMB Control No. 3060-0985
July 2013

<010> Study Area Code
<015> Study Area Name
<020> Program Year
<030> Contact Name - Person USAC should contact regarding this data
<035> Contact Telephone Number - Number of person identified in data line <030>
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 401729
<015> Walnut Hill Telephone Company
<020> 2015
<030> Deborah Nobles
<035> 904-588-0029
<039> dnobles@townes.net



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(3005c) Operating Report for Privately-Held Rate of Return Carriers
Balance Sheet - Data Collection Form
Page 3 of 3

FCC Form 481
OMB Control No. 3060-0986
July 2013

<010> Study Area Code
<015> Study Area Name
<020> Program Year
<030> Contact Name - Person USAC should contact regarding this data
<035> Contact Telephone Number - Number of person identified in data line <030>
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 401729
<015> Walnut Hill Telephone Company
<020> 2015
<030> Deborah Nobles
<035> 904-688-0029
<039> dnobles@townes.net



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Walnut Hill Telephone Company, Inc.
505 Plaza Circle Suite 200
Orange Park, Florida 32073

904-688-0017
(Fax) 904-688-0049

George Frederick CPA PLLC
7807 E Oberlin Way
Scottsdale, AZ 85266



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